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Atari Online News, Etc.
A-ONE Online Magazine
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->From the Editor's Keyboard "Saying it like it is!"
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Well, the unofficial end of summer, and my vacation, is winding down. Even some schools in the area have started classes! Labor Day is just a few short days away. Wow! Even the weather has started to change, gratefully. And, the temperatures have dropped to a comfortable level just in time to do some work inside the house for a change! The yard work has been done for awhile; I even finished getting rid of the last of the 20 yards of loam I had brought in last year!

Not much else has been happening this past week. It's been a good week to loaf around, with the occasional small project here and there. I've been catching up on a few things that kept getting put off. The usual. A relaxing second week. I'll need to be relaxed for when I go back to work! I can just imagine the piles of work waiting for me! Well, let's keep this one short - enjoy the long Labor Day weekend. And, be safe!

Until next time...

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New Release of Eureka

Hi,

I just have placed on my homepage a new release of Eureka. This program is shareware, a "2D Graph Describer, and 3D Modeller". This software is released nearly every month and made tremendous progresses since 1996, for its first release on the WEB. I would like to thank every people that helped for it. You will find on my homepage the common version for every ATARI. But, if you want a more specific version, I suggest you the following links :

<http://eureka.atari.org/eurka209.zip>
That is the Complete Common Edition

<http://eureka.atari.org/eurkafpu.zip>
Is the Limited FPU Edition

<http://eureka.atari.org/eurka020.zip>
Is the Complete 68020 Edition

<http://eureka.atari.org/eurklite.zip>
Is the Lite Edition, working on early ST with 720kb floppy

http://eureka.atari.org/lib_dgem.zip
Is Dynamic Libraries Extensions for Eureka

<http://eureka.atari.org/tiny043.zip>
Is the Open/Gl Extension (requires previous package)

I wish you big fun with all this STuff.

Regards,

-- Francois LE COAT
Author of Eureka 2.12
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Use our news server 'news.foorum.com' from anywhere.
More details at: <http://nnrpinfo.go.foorum.com/>

Fading Twilight - Music From the Atari Scene

The fifth and sixth CD's of music from the Atari scene was released a little while ago. The entire content is online on the Atari.Org official Fading Twilight mirror site.

Six CD's filled up with modules and mp3's from Atari (ST/Falcon/Jaguar (mostly)) demos and games are waiting for you.

<http://fading-twilight.atari.org/>

For Immediate Release

Contact: Donald A. Thomas, Jr.
datj@icwhen.com

ICWHEN.COM DEBUTS PHOTO DISC LIBRARY Affordable High Resolution Digital Photos for Every Occasion

August 29, 2002 - Chicago, IL - ICWhen.com (www.icwhen.com) today formally debuts a Photo Disc assortment that may be reviewed online. The assortment currently includes over one dozen subjects in four categories. Photos in each collection are all high resolution and are made available for any number of royalty free applications. Topics include "places" such as Las

Vegas and Navy Pier in Chicago, "events" such as an Arts & Crafts Festival, "things" such as a collection of buildings and a new "commemorative" section offering "The Peripheral Side of NUON".

"Notwithstanding the digital world we live in, finding easily licensed images of anything specific is difficult or costly", states Donald A. Thomas, Jr., President of Thomas Solutions. "ICWhen.com now enables image seekers to easily access hundreds, soon to be thousands, of photos quickly and cost effectively."

Digital images may be used as wallpaper on a computer, incorporated as backgrounds into video games, designed into greeting cards, assimilated into advertisements, imported into dynamic presentations, appreciated for their artistic flair or used in any number of other innovative ways.

"We're looking for photo collections that stand out from the ordinary," adds Thomas concerning the new Photo Disc section of ICWhen.com. "Sometimes a compelling pattern of a rickety fence can appeal to the mind's eye as much as a dramatic waterfall. ICWhen.com's Photo Disc assortment is destined to offer both ends of the spectrum."

Information regarding submitting images to ICWhen's Photo Disc offerings is provided online. Also included are generous numbers of samples and thumbnails of each of the photos. Access to the Photo Disc assortment is accessible directly at <http://www.icwhen.com>.

About ICWhen.com...

ICWhen.com is in its fifth year of offering quality content to its online visitors. Recently expanded, ICWhen.com offers an in-depth chronological history of home computers and video games, entertainment activities, a new Shopping Navigator, Photo Discs and an official portal to A-One Magazine. ICWhen.com is a wholly owned operation of Thomas Solutions. For more information contact support@icwhen.com.

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PEOPLE ARE TALKING
compiled by Joe Mirando
joe@atarinews.org

"People Are Talking" will return next week.

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"It's part of the cycle," said a New York-based consumer software analyst

at a major investment bank.

Lower console prices spur video games sales, but in early New York trading the world's largest independent computer games producer Electronic Arts fell 1.5 percent to \$63.30, in line with the tech-heavy Nasdaq composite index. Microsoft fell 1.1 percent to \$50.29. In Britain, Europe's biggest gaming market, Sony's PlayStation 2 will cost 169.99 pounds (\$261.10), while Microsoft's Xbox will be on sale for 159.99 pounds.

The price cuts, which come on the eve of the ECTS video game developers' conference in London, follow 33 percent price cuts for the U.S. market in late May, when Sony and Microsoft reduced the prices of their consoles to \$199 from \$299.

The machines are more expensive in Europe partly because of distribution and "localization" costs. European suggested retail prices also include VAT.

Sony, which is expected to provide an updated sales figure on Thursday at ECTS, will also detail a multi-million euro advertising campaign for PS2. Nintendo, which is not attending the ECTS show this year, will release a trading update on Thursday too.

Microsoft launched the Xbox in November last year in the U.S. market and then in March introduced it in Europe for 479 euros. One month later it cut the price to 299 euros in an attempt to boost tepid sales.

Sony has shipped 33 million PS2 units worldwide since its Japanese launch in March 2000. By comparison Microsoft said last month it had sold 3.9 million units worldwide in the 7-1/2 months to June 30.

Due to advanced graphics chips, a built-in broadband modem and a hard drive, the Xbox is relatively expensive to produce compared with PS2. Though economies of scale are improving, Microsoft still loses money on each console sold and it aims to make up the difference in higher-margin video game sales.

Analysts in May estimated that Microsoft was losing between \$76 and \$105 on every Xbox sold. Microsoft has since concentrated production and is buying cheaper components, but analysts view it as less competitive than Sony or Nintendo.

Square Wants 400,000 Online Gamers by 2004

Japanese game software maker Square Co Ltd said on Monday it aims to more than triple its online game users by March 2004 in a bid to expand a core revenue-earner and return to the black.

After the launch in May of "Final Fantasy XI," an online version of the popular role-playing game which has sold more than 38 million copies globally, the number of users paying a monthly fee of 1,280 yen (\$10.71) has reached 120,000, Square President Yoichi Wada told Reuters in an interview.

"We hope to raise the number of users to 400,000 by the end of next (business) year, which would make the online game service another key profit generator besides our package game business."

To achieve that goal, Square will release a PC version of the game in autumn or winter and the advanced version of the game by the end of next March, while it also plans a North American launch next year, he said.

"We need around 200,000 users to break even in the online game business, which we said in May we aim to do in 2002/03."

Some analysts, however, see that goal as too optimistic.

"The online game will miss the company's sales target due to a slow start and a server glitch in May," said Eiji Maeda, senior analyst at Daiwa Institute of Research.

"We expect the service to post a one billion yen loss this year, but it will eventually attract 200,000-300,000 users, partially helped by an expansion of the broadband network."

Faced with a declining birth-rate in Japan, and therefore a likely fall in gaming population, game creators are looking to grow earnings through online user fees.

"Koei Co Ltd and Capcom Co Ltd are set to release online games, which may prompt more gamers to purchase the broadband unit for Sony's PlayStation 2," Maeda said.

To play the Square's online game at PlayStation 2, users need to install a broadband unit which includes a hard disk drive and network adapter. But the high cost of the unit at around 18,000 yen discourages some users to try the service, analysts say.

Wada said Square, which is owned 18.6 percent by Sony, aims to release one game title for Nintendo Co's GameCube home game console and two games for Nintendo's Game Boy Advance mobile game machine by the end of this business year to March.

The Tokyo-based company, which develops games mainly for Sony's PlayStation consoles, said this year it planned to develop a game for the GameCube next spring, but did not count sales from the new game into its earnings forecast for this year.

"The new GameCube game will have some kind of link with Game Boy Advance and we hope it will become a million-seller," Wada said, adding the game's sales would boost its earnings estimates.

In May, Square projected a return to the black this year with a group net profit of 4.20 billion yen on sales of 25 billion yen, after spilling red ink last year as it counted the cost of an ambitious but unsuccessful foray into movie-making.

Daiwa's Maeda said if Square keeps its promise to release the games for Nintendo consoles in 2002/03, it will offset slack domestic demand of its other games.

Wada said the firm plans to unveil its new product lineup at the Tokyo Game Show in mid-September and that it has no plan to make games for Microsoft Corp's Xbox for now.

Square's decision to once again produce the popular Final Fantasy game series for Nintendo's console marked an important step for the two

companies, whose relations had soured in 1996 when Square abandoned Nintendo to develop the series exclusively for Sony's PlayStation platform.

Square's defection was seen as one of the primary factors for PlayStation's success in outclassing Nintendo's N64 consoles, and prompted Nintendo to refuse taking any titles from Square.

Given cheaper development costs to make games for Game Boy Advance than for PlayStations, analysts say a steady product flow to Nintendo's console would bolster Square's earnings.

Nintendo Releases New Mario Video Game

He's short. He's fat. He's not a snappy dresser and he spends his day fantasizing about princesses. He's also responsible for billions of dollars in global sales since the mid-1980s.

He is, of course, Mario the Plumber, star of stage, screen and the most successful video game franchise in history and on Monday, he returns to stores in his first original console game in six years, "Super Mario Sunshine" for the GameCube.

The little man with the mustache and the red overalls has been the backbone of his corporate master, Japan's Nintendo Co. Ltd. , since 1985's "Super Mario Bros.," which was his first starring role in a video game.

"There's a lot of memories and a lot of nostalgia tied to Mario," said Mark MacDonald, executive editor of Electronic Gaming Monthly, a leading industry magazine. "People want that Mario game."

The GameCube player made its debut last November with "Luigi's Mansion," a game based on Mario's erstwhile brother that has done relatively well at retail.

Decent sales aside, though, it was little comfort to rabid fans who have been shaking in withdrawal as they waited for "Sunshine" to hit retail shelves and provide the fix they've dreamed of since 1996's "Super Mario 64."

But while the new "Mario" is highly anticipated, some of its limelight is being absorbed by new games in Nintendo's also-heralded "Zelda" and "Metroid" franchises.

At this year's Electronic Entertainment Expo, or E3, the game industry's annual trade show, game fans were as eager to play "The Legend of Zelda" and "Metroid Prime" as they were to spend time with Mario.

Web site IGN.com (<http://www.ign.com>) voted "Metroid Prime" the best game of the entire show, while Gamers.com (<http://www.gamers.com>), the Web site of Electronic Gaming Monthly, gave its nod for the show's top title to "Zelda."

Of more than 7,500 votes cast in a unscientific poll at game site GameSpot.com (<http://www.gamespot.com>), 32 percent said they were most excited about "Zelda" of all the upcoming Nintendo games, followed by 30 percent for "Metroid" and 22 percent for "Mario."

Game writers generally have praised the new Mario and expressed their eagerness to get their hands on the game, but have also compared it with "Super Mario 64"

"Super Mario Sunshine is here, and while it may not live up to the ridiculously high expectations set by its predecessor, it's still an enjoyable game that any platforming fan will immediately latch onto," Giancarlo Varanini, a GameSpot editor, wrote in a review of the Japanese version of the game.

Nintendo dominated the U.S. video game industry until the mid-1990s when Sony Corp. hit it big with PlayStation, so it's no surprise Nintendo is putting a huge marketing push behind "Sunshine" to help the company restore its old luster.

On Thursday, Nintendo celebrated the game launch at a San Francisco event where, in a nod to Mario's heritage, it served more than 1.5 tons of pasta in a bowl three feet high and 10 feet wide. Nintendo claims the serving was certified by the Guinness Book of World Records as the largest of its kind.

Nintendo also will roll out a bundle package on Oct. 14, offering the GameCube, "Super Mario Sunshine" and an external memory card for \$189.95, a savings of about \$25 from what consumers would pay if the pieces were bought separately.

Nintendo hopes all the promotional hype will, of course, turn in strong sales of "Mario," but as important as sales and profits, Nintendo investors need a confidence boost, too.

Its shares have fallen 34 percent on Japan's Nikkei index in 2002. Japanese financial analysts have said "Mario" sales are already partly factored into the stock price but could provide a boost with stronger-than-expected results.

While not a financial analyst, Electronic Gaming Monthly's MacDonald provided some perspective of his own on the game's sales prospects.

"There's going to be a ton of people who are going to buy a GameCube now because they see Mario on it," he said. "It's bankable ... it's the kind of game that has legs. It'll sell constantly and consistently over the next couple years."

Sony Launches Opening Salvo in Online Game War

It may be a modern parent's worst nightmare -- video games and the Internet, two huge consumers of teenage time, fused into one global network.

The game industry is determined to create just that type of creature.

On Tuesday, the U.S. video game arm of Japanese media giant Sony Corp. launches the first salvo in a coming online gaming war with Microsoft Corp.'s Xbox and Nintendo Co. Ltd.'s GameCube, when it releases a \$39.99 adapter for the PlayStation 2 game player.

The adapter allows a PS2 to connect to the Net via dial-up or high-speed broadband connection, and at launch a total of 13 games will be available supporting Internet play.

Sony's launch comes ahead of expected fall roll-out for similar offerings by its competitors, and at a time when the video game industry's trade group has found that almost one-third of frequent video game players play online -- a market the industry sees as a lucrative revenue generator.

Sony Computer Entertainment of America, the company's game arm, is hoping to sell as many as 400,000 of the adapters by the end of the year, a healthy number but a small percentage of the more than 11 million PS2 consoles in homes today.

But a slow start is exactly what the company says it wants.

"The most important thing is, first of all, that we let the core gamers ... know we are taking the PS2 experience into an online environment," SCEA President Kaz Hirai told Reuters.

Those core gamers are in many ways the most important audience for game companies; according to a recent survey conducted for the Ziff Davis Media Game Group, core gamers spend almost \$97 a month on video games alone.

Core game players, the survey found, talk about video games on average three times more often than regular players, and plan to buy five times the number of games a regular player does over a two month period.

To sell video games to that audience, Hirai said Sony is putting together hands-on events like demonstrations on college campuses, so the core audience can get a taste of live action.

Sony's biggest potential competitor for online gaming is the Xbox Live service from Microsoft Corp. that will be launched by the software giant on Nov. 15, but the two company's offerings are vastly different.

Every online game for the Xbox will run on a network being built out by Microsoft, and Microsoft will charge players \$49.95 for one year's access.

Sony will rely on individual publishers of a PS2 online game to provide their own gaming network services.

"I think that we're very true to the very open business model that we've always had with the PlayStation and PS2 business," Hirai said.

Another major difference is the Internet connection itself; the Xbox supports only broadband while PS2 will serve both high- and low-speed connections.

While many game makers have said they will support both platforms in one form or another, No. 1 independent publisher Electronic Arts Inc. has said it would not initially support Xbox Live because it preferred Sony's open model.

Still unclear are the online plans of Nintendo Co. Ltd., which has said it will bring out network adapters this year for its GameCube console but has not provided details on timing or games to go along with the service.

One of the biggest challenges for the video game industry is explaining how online play works, because previously game players were slaves to the TV sets to which they were connected and a user's opponent had to be in the same room. Online, gamers can play anyone on the Net around the world.

"I think people are going to be disappointed," said Michael Pachter, a financial analyst at Wedbush Morgan Securities who follows the U.S. game business. "I don't think they've been crystal clear as to what this thing requires."

Hirai conceded that the issue of helping people get their consoles online will be one of the biggest tasks the company has to face as it moves into the new territory.

"We need to be there to be able to support that on an ongoing basis," he said.

Video Games Jump Online

Sony's PlayStation 2 scores first in the video-game race to cyberspace with today's introduction of an online add-on to let players battle via the Net.

The Network Adaptor (\$39.99) fits into the back of the game system and connects either to broadband connections or to phone lines to reach the Internet. There are no extra fees from Sony or game manufacturers, though players need to have their own Internet provider and a PS2 memory card.

Microsoft and Nintendo are right on Sony's heels:

- * Over the next few weeks, Microsoft will let the first 10,000 beta testers onto its online network, Xbox Live, which launches Nov. 15. The Xbox has built-in Ethernet for broadband connections; subscribers will pay \$49.95 for the first year, which includes a headset and two games.

- * Nintendo plans to have online adapters for its GameCube available this fall (broadband or dial-up, \$34.95 each) but has not announced any games, though Sega plans to have Phantasy Star Online I and II available Oct. 29.

By playing games online, "you are suddenly opening yourself up to tons of other people who are interested in playing" with you, Sony's Kaz Hirai says.

Online games will account for a fraction of the expected \$11 billion-plus U.S. video game industry this year. Currently played mostly via PC with a few megahit titles such as EverQuest and Dark Age of Camelot, online gaming overall will generate about \$700 million in 2002. But those titles demonstrate the dedication that immersive online worlds command from players -- not to mention average fees of \$13 a month from hundreds of thousands of fans.

Sony has said that a PS2 online version of its EverQuest PC game will be available next year.

As Sony and competitors draw more non-PC video gamers online, within four years the audience worldwide could grow to 23 million players from fewer than 3 million today, says David Cole, an analyst with DFC Intelligence, a market research firm in San Diego.

The first PlayStation 2 online games include three football titles, NFL GameDay '03, Electronic Arts' Madden NFL 2003 and Sega's NFL 2K3, and Sony's new SOCOM: U.S. Navy SEALs, a combat game using voice commands. More are due this fall, including Tony Hawk's Pro Skater 4, Auto Modellista and

NBA Live 2003.

Sony's PS2, with a year's head start in stores, leads with about 14 million systems sold in North America since its launch in October 2000. Nintendo has sold about 5 million GameCubes and Microsoft about 4 million Xbox systems since November 2001.

Sony's online strategy allows each game developer to create a customized online experience. For example, Electronic Arts has its own servers devoted to those who want to play Madden 2003, and the game disc includes programming that connects to an online lobby where players can find opponents as well as download NFL rosters.

Microsoft, which reportedly spent about \$1 billion setting up the Xbox Live network, has a different approach from Sony's, controlling the experience from beginning to end. Sony is "selling a peripheral. We are selling a service," Microsoft's Scott Henson says.

Microsoft will have the advantage if online games take off, Cole says. "Sony (and Nintendo) are betting that online gaming, in the short term, is not going to be a huge deciding factor in driving hardware sales."

For now, Nintendo is focusing on getting more franchise game titles on the market, such as Super Mario Sunshine, released Monday. "Online gaming is not 100% there yet," Nintendo's Perrin Kaplan says. "We think we are going at a pace that equals where the market is."

Nintendo could be playing it smart by watching and learning from Sony and Microsoft's efforts, GamePro magazine's Dan Amrich says. "They realize it isn't a trick they need to pull off yet."

However, he says, the potential for online console gaming is "awesome... If you can have four friends over and four other people across the country, that's a double communal experience."

Name Your Baby for Video Game 'Turok,' Win \$10,000

But dear, Turok is such a nice name for the baby!

Video game publisher Acclaim Entertainment Inc. said on Tuesday it will give \$10,000 in savings bonds to the first family to have a child on Sept. 1 and name it "Turok," after Acclaim's new game of the same name to be released on that day.

The game, "Turok: Evolution," is Acclaim's biggest title of the year; it will be released simultaneously on all major game platforms Sept. 1, which the company has taken to calling "Turok Bloody Sunday."

In the straight-forward shooter game, Turok must battle his way through "reptilian hordes" in a place called the Lost Land, according to the game's Web site.

"People for generations have been naming their children for sports celebrities, movie star, musicians," said Acclaim spokesman Allan Lewis. "It's a natural evolution ... people are going to start naming their children for video games."

To participate, expecting parents will have to preregister on the game's Web site, and once the baby is born, they will have to provide proof of birth from a U.S. hospital, including the exact time and date.

However, Lewis cautioned that parents should not immediately name their new children Turok -- unless they are so inclined anyway -- as the company will first have to certify exactly which contestant was born first.

The winning parents will have to sign a letter of intent promising to name their child Turok for a period of one year and then prove that they have done so in order to collect.

Acclaim's British operation is also running a similar stunt; Lewis said the company will pay up to five British adults the equivalent of about \$800 to change their given names to Turok for one year.

"Turok: Evolution," which carries a "Mature" rating from the Entertainment Software Rating Board, is the latest game in a franchise that Acclaim said has generated more than \$250 million in sales, with 6 million copies of the games sold.

The promotion, while unique, is not a first, as companies have in the past tried to buy naming rights to children as a promotion for their brand.

The Internet Underground Music Archive, or IUMA, ran a contest in 2000 urging parents to name their children "Iuma" in exchange for \$5,000. A total of 10 babies ended up getting the name as part of the program.

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A-ONE's Headline News
The Latest in Computer Technology News
Compiled by: Dana P. Jacobson

Gateway Unveils All-in-One iMac-Buster

Taking a page from the consumer-friendly, highly-stylized home computers made famous by Apple's iMac, Gateway on Monday released its Profile 4 all-in-one PC. The multitoned gray, flat-screened machine with the brains of the PC in its base also competes with the iMac on pricing, hitting the "sweet spot" with a machine starting at US\$999.

The starter-level PC sports the Intel Celeron chip running at 1.7-gigahertz, with 128 MB of DDR SDRAM, a 20 GB hard drive, a CD-ROM drive and a 15-inch flat-panel display.

Other configurations include an Intel Pentium 4 processor running up to 2.4 GHz, up to 1 GB of DDR SDRAM, 120 GB of hard drive space, a CD-RW and a 17-inch flat-panel display for up to \$1,999. All Profile 4 PCs come with six USB ports and are broadband and network-ready.

"We've gotten a lot of interest from a number of government, educational and general business accounts. In the front office, some people want

something that is sleek and cool," Gateway spokesperson Lisa Emard told NewsFactor.

Gateway has come out swinging against the iMac, trying to lure customers away with a cheaper price -- claiming to beat the entry-level iMac by \$200 -- and increased performance.

The company said its independent tests showed the Profile 4 loaded 3D graphics and JavaScript Web pages faster than the iMac, and booted up more quickly.

The comparison between the two machines is also made by Gateway in the company's new ad campaign, scheduled to launch Monday night. Web, print and television ads will stack the two computers against each other and home in on the price difference.

In competing against Apple, which is estimated by analysts to hold about 3 percent of the overall PC market, Gateway appears to be going after a small market segment. But in what has been a lackluster PC market in the United States, that may be the only viable group to go after.

"Any time you're in a flat market, the way you grow a business, you take away other people's customers. Look at Dell, that's why their profits are up," Carl Howe, research director at Forrester, told NewsFactor.

Although the announcement of the Profile 4 fits into the back-to-school shopping slot -- traditionally a boom for PC manufacturers -- Howe said he did not believe the industry would see more than a "slight up-tick" for the third quarter, with all of 2002 ending "flat."

Apple has fought back with its own campaign, launched in June, extolling the virtues of the Apple platform and highlighting users who have made the "switch" from PC to Mac.

While Apple has said it can not directly track the number of buyers who have actually switched, it has said that the company's Switch Web site has logged 1.7 million unique visitors, and that 60 percent had logged in from Windows machines.

AOL to Launch Next Version of Netscape Browser

America Online, the Internet unit of media behemoth AOL Time Warner Inc. said it plans to launch its new Netscape Web browser on Thursday, marking its latest effort to challenge the dominance of Microsoft Explorer as the standard tool for surfing the Internet.

The software, which has been in user tests since May, promises faster and easier navigation of the Web, although surveys show its market share has been dwarfed by Microsoft Corp.

Research firm WebSideStory issued a study that says that Netscape's global usage share has dropped to 3.4 percent, compared with 96 percent held by Microsoft Explorer, a turnaround from the mid-1990s when Netscape was dominant.

AOL bought Netscape in late 1998, months after it had struck a deal to use Explorer in its online service. The latest version of Netscape is aiming

for mainstream users such as AOL's 34-million-plus user base rather than the tech-savvy developers that have gravitated toward Netscape.

The company has not yet decided to replace Explorer with Netscape in its new version of AOL set to be launched this fall, Netscape spokesman Marty Gordon said.

It is currently being tested in some versions of its service and launched a version of its discount Internet service CompuServe with Netscape technology. "We've been testing the browser and it's been gaining great momentum," he said. "We feel we have the wind in our sales. Netscape is alive as well."

Netscape's battle with Explorer has been an uphill one. "The browser war is in fact a massacre," said Geoff Johnston, vice president of product marketing for WebSideStory's StatMarket. The newest versions of Netscape have failed to win over users so far."

AOL counts 52 million registered users for Netscape, compared with Explorer. Microsoft was not immediately available for comment.

Last year, a U.S. Court of Appeals upheld a trial court ruling that Microsoft violated antitrust law by commingling its Explorer technology with its Windows operating system in an effort to fend off competition by Netscape.

Microsoft has since said that upcoming updates of its operating system will allow computer makers and consumers to add and remove access to features like Explorer and others, in an effort to comply with a settlement of the antitrust case.

Microsoft to Release XP Service Pack Sept. 9

Software giant Microsoft Corp. on Friday said it will release the first service pack for its Windows XP operating system on Sept. 9, adding new security measures and features to comply with proposed federal orders making it possible to remove certain programs.

Redmond, Washington-based Microsoft said Windows XP Service Pack 1, which adds features and patches problems with the software, would be available either through download from the company's Web site or via a CD.

The company said the pack contains all the security updates it developed as part of the "Trustworthy Computing" initiative it launched earlier this year, which Microsoft Chairman Bill Gates said has cost \$100 million thus far.

The company has issued at least 30 security bulletins for its software since the launch of that program.

The service pack will also allow manufacturers and users to remove the company's Internet Explorer browser software and Windows Media Player, among other programs, under the terms of a proposed consent decree Microsoft signed with the U.S. Department of Justice and nine state attorneys general.

The service pack will allow manufacturers and users to remove the company's

Internet Explorer browser software and Windows Media Player, among other programs, under the terms of a proposed consent decree Microsoft signed with the U.S. Department of Justice and nine state attorneys general.

Microsoft said it had sold 46 million units of Windows XP through both retail and manufacturer channels by the end of June. The system came out late last year.

The company traditionally has released service packs for its operating systems patch holes in security and other areas as well as adding or enabling new features.

Free Internet: Get What You Pay For?

If it is true that you get what you pay for, is free Internet access really worth nothing?

Companies often say that their free Internet access, Web hosting or e-mail services are designed as entry-level offerings that allow reluctant Web consumers to dip their toes into the online pool before taking a full-fledged plunge. But while most of the once-free Web has been fenced off by fee-collecting toll booths, it is still possible to find a free gateway here and there.

For example, most free dial-up packages -- such as those offered by Juno and NetZero -- typically offer about 10 hours of free online time per month, just enough for most users to keep up with e-mail and do a bit of surfing.

"For that person who's never been online, it might be a good place to start," Forrester Research analyst Charlene Li told the E-Commerce Times. "But once a Web user gets some experience, they immediately demand more."

By most estimates, the number of people who fall into the "just starting out" category -- at least in the United States -- is shrinking rapidly. According to Nielsen//NetRatings, more than two-thirds of U.S. households are already connected to the Web. And an even higher percentage of Americans have Internet access at work or school.

Because the general population is becoming more familiar with the Internet -- and demanding higher levels of Internet service -- for-free models have had to shift their focus, particularly in light of attractive access technologies like broadband.

"The move to broadband and more expanded services is inevitable, though it's taking longer than everyone expected it would," NetRatings director and senior analyst Lisa Strand said. "People will still get by with the basics, but over time, broadband will dominate."

Most online services use free offerings as a way to get customers in the door, after which the companies typically try to sell upgrades to their customers. Address.com, which offers free Web-based e-mail accounts -- much like Yahoo! and Hotmail -- gives users the option to upgrade to a traditional POP3 e-mail account for 66 cents per month.

While at one time it was relatively easy to find and sign up for free services online, it is becoming increasingly difficult to locate free

offerings that provide anything more than the basics.

As an example, free Web-based e-mail accounts typically come with only a minimum amount of storage space. Users must upgrade their accounts to get additional space or to access their accounts via a standard POP3 connection.

Even free accounts that offer only basic services are not necessarily free; they often come at the expense of personal information. Most free accounts require users to fill out lengthy personal profiles. And some accounts, such as those provided by Address.com, require that users take part each month in offers from advertisers that require answering survey questions or providing more personal data.

Many free services have fallen by the wayside because the companies running them were not able to adapt their business models quickly enough to the changing economic environment.

For example, LookSmart this week announced plans to shut down its free BeSeen service, which helped Web designers get their pages listed in search engines' databases.

But according to analysts, free services will continue well into the future. Even those that offer basic, no-frills capabilities will continue to draw users, albeit in smaller quantities. And as concern over privacy grows, analysts say consumers will opt to pay for more robust services to avoid sacrificing all of their privacy.

"People are willing to pay for value and even to avoid giving away too much information about themselves," Harris Interactive analyst Lori Iventosch-James told the E-Commerce Times. "A lot of consumers will pay to keep from forking over too much data. But people are conditioned to get certain things for free on the Web. Getting them to change that habit will be a lot harder."

A New World of Internet Fees

A few years ago, much content and many services could be had for free, even though the companies providing those services were not posting profits. But then the bills arrived, online advertising revenue dropped, and the free-content providers had to tighten their belts and look for other ways to make money.

To stay afloat, many of those companies have begun asking users to pay small fees for services that were once gratis. Although some companies have stumbled in this endeavor, analysts predict that charging for formerly free services is the wave of the future -- if companies can handle the transition with aplomb.

Free services used to be plentiful on the Internet, with many players, including Worldspy.com and Juno, offering no-cost Internet access and e-mail.

Internet users could obtain content even more easily from sites like Salon, which brimmed with high-quality articles. But hard times call for tough measures, and companies that depended on free-service or free-content models have had to adapt their approach.

As it turns out, charging customers for access to content or services seems not to be such a bad move after all. Giga Information Group research fellow Rob Enderle told the E-Commerce Times that although no company can be called a true success at collecting Internet fees, some firms have paved the way.

"AOL is based on this model," he said. "However, with their financial performance of late, saying [the model is] working may be a stretch."

Enderle pointed out that the fee-based model is working better than its free predecessor did, "but it is clear that the model still needs to mature so that the cost of acquiring and maintaining a customer is more in line with what that customer is willing to pay."

Not surprisingly, the move toward charging for services that were once free is not altogether welcome in the user community.

"There is some grumbling," IDC senior analyst Rob Rosenthal told the E-Commerce Times. "But the more it happens, the more customers are willing to go along with it."

Some companies that made the switch have felt the heat of consumer ire. For example, Salon's decision to make some of its content subscription-based caused a rash of heated debate over whether paid content could succeed.

Given the site's financial situation -- the company was rumored to be on the brink of financial disaster just last month -- it seems too early to declare the paid-content experiment a success, but at least Salon appears to have blazed a trail for other online content purveyors to follow.

The trick to preventing consumer gripes, according to analysts, is to enhance service offerings when adding fees. Providing the same service while changing only the fee structure is the easiest way to anger customers. On the other hand, if customers believe they are getting newer and better services, they may open their wallets.

"If you offer something for the money, you'll do better," Rosenthal said. "If you just say, 'Well, now it costs money and before it didn't,' then you might get some conversion rate from the most dedicated users, but how [many users convert] will be a crap shoot."

Two examples of this model are MSN's extra storage capabilities -- which require users to pay more for additional storage space -- and eBay's price structure, which lets customers choose which services they want to use.

"A few bucks a month for items that people want, like storing pictures or having more e-mail space, is something users can see the value of," Rosenthal said. "They feel like they're getting something of worth."

Undoubtedly, analysts said, many companies will be watching Microsoft, AOL, Yahoo! and other service providers to see what works.

Enderle said he believes the next step for service fees will be online-only desktop applications that provide for-fee services like voice recognition and multimedia options. But for now, the growth rate of paid services remains an area that requires observation and invites speculation.

MSN, with its structure of both free and fee-based products, might offer the best indication of what users will see in the future. "Microsoft will

likely be the best test of the transition process, but going from free to fee is never an easy path," Enderle noted.

Dates Set in Antitrust Suits Against Microsoft

A federal court in Baltimore Tuesday set Oct. 1 as the date for a hearing on whether more than 100 antitrust suits filed by consumers against Microsoft Corp. should be grouped together as a class action suit, according to people who attended the hearing.

In a pretrial conference before Judge Frederick Motz of the U.S. District Court for the District of Maryland, Oct. 1 was scheduled as the date for a class certification of the cases. The parties also set Oct. 24 as the date for a hearing on whether Microsoft can be bound by findings already issued in the U.S. Department of Justice's case against the software maker.

A third hearing in the court, scheduled to begin Dec. 3, will consider Sun Microsystems Inc.'s claim that Microsoft, in Redmond, Washington, used anticompetitive practices to block the distribution of its Java technology.

Sun, along with Netscape Communications Corp., now a subsidiary of AOL Time Warner Inc.; Be Inc.; and Burst! com Inc. are the competitors whose antitrust lawsuits against Microsoft have been assigned to Motz. The competitors' cases were transferred to Motz at the request of the Judicial Panel on Multidistrict Litigation, whose job is to streamline related cases filed in multiple districts. In addition, Motz has been overseeing the more than 100 cases filed by consumers.

Microsoft Reveals More Windows Code

As part of its pending settlement with the Justice Department and nine U.S. states, Microsoft has disclosed additional programming code that will let third-party developers create programs that integrate successfully with the Windows environment. The software company posted the technical information on its Microsoft Developer Web site.

In its agreement with the Justice Department, reached in November of 2001, Microsoft consented to publicly document the code for interfaces used by applications -- such as instant messaging software and browsers -- that sit atop the company's core operating system.

Microsoft points out on its MSDN site that "the vast majority of these interfaces were already documented." According to the company, Microsoft's technical writers have documented these interfaces and made them available as application programming interfaces (APIs) in the MSDN online library.

Disclosure of this programming code is a key part of Microsoft's agreement with the government because, as Justice Department prosecutors argued in their case against the company, Microsoft deliberately withheld this information.

Microsoft did this, claimed the government lawyers, so the software it developed would have a distinct competitive advantage over that of its competitors.

Some industry analysts see the disclosures as being a boon to those who compete with Microsoft's applications, such as developer MusicMatch, maker of a popular PC jukebox-style media player, and RealNetworks, whose media player handles the Microsoft media format as well all other PC formats.

"I don't think it's going to have much effect," Yankee Group senior analyst Robert Perry told NewsFactor.

Perry noted that while the code itself is important, other business considerations are equally important. These other factors, in which Microsoft continues to have an advantage, include marketing, technical support and the size of company.

"There's more to a software business than the software," Perry said. "[Microsoft] fought so hard for the things they thought were important that I don't think they feel this is that important -- or they wouldn't have agreed to it," he added.

Under the terms of its consent decree, the company must disclose all of these APIs before it releases Service Pack 1 for Windows XP. Service Pack 1 is the first major update to the new OS the software company introduced last October. Microsoft also has agreed to 20 years of government oversight for various procedures and products.

In early August, Microsoft disclosed communications protocols used by the Windows desktop operating system in conjunction with Windows server products. These 113 communication protocols must be licensed from Microsoft for a fee. The 272 recently disclosed APIs are available royalty free.

These code disclosures, said Yankee Group's Perry, might actually benefit Microsoft. "It makes them look like a more open company, and it potentially could have better applications written for its software."

Perry added that Microsoft is opposed to the open source world, but "now that they've reached out and have more people looking at their code -- they'll probably learn."

Napster to Seek Approval of Sale

Bankrupt Napster Inc. on Thursday plans to seek a Delaware court's approval of its proposed sale to Bertelsmann AG, which hopes to revive the silenced Internet music-sharing service.

No other bidders emerged for Redwood City-based Napster after German-based Bertelsmann forced the company into bankruptcy in June. Bertelsmann values its bid for Napster at about \$100 million, including debts that will be waived as part of the deal.

Bertelsmann's bid still faces a potential obstacle. The Music Publishers Association and the Recording Industry Association of America - two powerful trade groups that have fought Napster for years - have objected to the sale.

Before federal courts ruled Napster's online file-swapping service violated copyright laws, the service had attracted 60 million users and revolutionized the way people obtained music.

Although Napster's service has been idle since July 2001, millions of Web surfers still exchange music files on the Internet, much to the frustration of recording studios and artists who say they are being cheated out of sales and royalties.

If its takeover bid wins court approval, Bertelsmann hopes to resurrect Napster as an industry-approved subscription service.

IBM Unveils 'Smart' Laundry

College campuses have long since wired their dorms and libraries. Now some are going even further: cyberlaundry.

IBM Corp. hopes a new system of smart, wired washers and dryers will instill a little efficiency in the college dormitory laundry room, letting students keep tabs on their laundry from anywhere they can access the Internet - their dorm rooms, the library, or even a cell phone.

The Armonk, N.Y.-based company plans to install about 9,000 of the machines on 40 campuses, all so far in the Midwest, including Ohio State University and Cedarville University in Cedarville, Ohio.

Students can log onto a Web page to see if there are free machines and receive an e-mail or page when the load is finished. The system can also automatically charge students through their ID cards, though it would still accommodate traditional coins.

Users can't reserve machines, but the system could eliminate back-and-forth to the laundry room.

"Where I went to school, if you left your clothes in the machine, it would end up on the floor," said Dean Douglas, vice president for IBM Global Services. With the new machines, "You could be outside throwing a Frisbee or whatever instead of waiting in that laundry room waiting for the load to finish."

IBM's machines got a trial run last spring on nine washers and 10 dryers at Boston College. The school hasn't decided whether to commit to the devices, but Joe Schott, 25, a residence hall director who lives in a dorm there, said the machine made life easier for students.

Cedarville University plans to have units installed in 150 machines by the spring semester.

"This just seemed like an obvious opportunity to leverage our technological investment for our students," Cedarville spokesman Roger Overturf said.

Cartoon Turtle Enlisted for Web Safety Campaign

When U.S. officials wanted to keep kids from littering, they enlisted a cartoon owl named "Woodsy," and to help prevent forest fires, they recruited a bear by the name of "Smokey."

These days the concern is Internet safety and security, and the U.S. Federal Trade Commission is turning to a new messenger -- a savvy little turtle named "Dewie" with a hardened shell that won't get crushed on the Information Superhighway.

The FTC is keeping details about Dewie under wraps until an official unveiling in September, a spokesman for the federal agency said late Tuesday.

But the Net being the Net, and Washington wags being, well, Washington wags, it's hard to keep anything about the Web secret for very for long.

Last week at a high-tech summit of government officials and business leaders in Aspen, Colorado, Commissioner Orson Swindle let a few specifics slip about the smart-thinking critter.

Dewie will be green, of course, but his shell will be gold. A picture of him speeding through a communications pipeline in a race car below the slogan "Safe at Any Speed" can be found at <http://www.ftc.gov/infosecurity>.

"I hate to compare him to the Ninja Turtles," Swindle said, referring to the once wildly popular "Teenage Mutant Ninja Turtles" kids cartoon, "he's a friendly turtle."

Dewie's mission will be teaching kids to take precautions when they are on the computer, traveling the Internet's many avenues to information.

"The idea is to get (kids) thinking about it -- just like we get them to look both ways before crossing the street," Swindle said.

The FTC effort will likely resonate with generations of Americans who -- when struck with the urge to toss a candy wrapper out a car window -- still recall Woodsy's plea to "Give a hoot, don't pollute."

Officials said the Dewie campaign is part of the federal government's broad effort to promote a "culture of security" and the view that every person who uses computers and networks, such as the Internet, has a role in keeping cyberspace safe.

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